



# Indiana Department of Revenue

## Motor Carrier Services Division

# Indiana Trucking Tips



June, 2002  
Volume 6, Issue 2

## Motor Carrier Calendar Notes

### July 31, 2002

Second quarter returns are due for:

Motor Carrier Fuel Tax (MCFT-101)  
and International Fuel Tax (IFTA-101)

Claims for Proportional Use Credit  
(MCS-1789)

## State Holidays

**Our offices will be closed on the  
following dates in observance of  
state holidays:**

### Independence Day

Thursday, July 4, 2002

### Labor Day

Monday, September 2, 2002

### Columbus Day

Monday, October 14, 2002

**Indiana Department of Revenue**  
Motor Carrier Services  
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(317) 615-7200  
[www.in.gov/dor](http://www.in.gov/dor)

## Sales Tax Exemptions

### Are You Exempt From Sales Tax?

There is often much confusion about Indiana sales tax exemptions as they apply to public transportation, or “for hire” transportation. Below are some answers to our most commonly asked questions.

Generally, a true “for hire” carrier will be exempted from sales tax on purchases used directly in the hauling of “for hire” activities. These carriers will normally obtain a Registered Retail Merchants Certificate (RRMC) and be given a number when completing exemption certificates.

In order to obtain a RRMC, a carrier must first complete a Business Tax Application, Form BT-1. These forms are available on the Indiana Department of Revenue Web site at [www.state.in.us/dor/](http://www.state.in.us/dor/). Completing a BT-1 application gives the carrier just a RRMC; *it does not mean that the carrier is actually exempt from sales tax.*

ICC/MC/US DOT numbers have nothing to do with being sales tax exempt on fuel or purchases. The key to sales tax exempt purchases (be it a vehicle, parts, or gasoline, etc.) is that the carrier must be in the business predominantly of “for hire” transportation and have a RRMC. NOTE: A RRMC/ICC/MC/US DOT only identifies the carrier; *it does not mean that the carrier is actually sales tax exempt.*

A carrier may be both private and “for hire” or it may be in the business of manufacturing, but the predominate business income must be made from hauling “for hire” to be qualified for the sales tax exemption. Even then, the only purchases exempt from sales tax would be those used directly in the hauling “for hire” activities.

If you have questions about sales tax exemptions on purchases, please call 317-232-2339. You may also find Sales Tax Information Bulletin #12 helpful; it is available on our Web site at [www.state.in.us/dor/](http://www.state.in.us/dor/).

### Which Forms to Use?

**ST-108** is a Certificate of Gross Retail or Use Tax **Paid** on the purchase of a motor vehicle or watercraft. This is what the Bureau of Motor Vehicles (BMV) accepts as proof that the sales tax has already been paid on a vehicle. Form ST-108 can only be issued by an Indiana vehicle dealer.

**ST-108E** is a Certificate of Gross Retail or Use Tax **Exemption** and is used when the carrier is exempt from sales tax. This is what the BMV accepts in order to exempt the sale of the vehicle from sales tax.

**ST-135** – An owner/operator who is leased to another for-hire company and is operating under another carrier’s authority may use the ST-135 exemption form to issue to suppliers on purchases directly used in providing public transportation. The social security number, FEIN, or Indiana TID number of the owner/operator may be used on the ST-135.

**ST105** – The “for hire” company that has a RRMC uses this form to claim exemption.

## IFTA/Motor Carrier Renewal Season

Motor Carrier Services announces processing deadline changes on renewal mailings, in order to meet the department's goal of having all 2003 credentials in the mail by the end of November. We will have all renewal applications mailed by June 30, 2002. All renewals will be processed and mailed in the order received. The colors of the 2003 IFTA decals will be light red with white lettering and the intrastate Motor Carrier decals will be blue with white background. More details will accompany your renewal application. For more information, please contact the Motor Carrier Fuel Tax Section at (317) 615-7345.

## Ordering Oversized or Overweight Vehicle Permits?

If you're ordering Oversize/Overweight or Superload vehicle permits, you must complete a Form M-233 for each vehicle (permit request). The permit requests must be filled out completely and accurately and include the route. If your permit requests are not complete and accurate, you will be asked to correct and resubmit them to Motor Carrier Services. ***This will delay the processing and issuance of your permits.***

Before you send in your Forms M-233, make sure every applicable blank is filled in. The greatest problem we see are routing requests; these account for the majority of the delays in processing. When routing your trucks please keep the following in mind:

**Check the Indiana detour bulletin.** You can find the detour bulletin on the Internet at [www.state.in.us/dor/div/traffic/detour/](http://www.state.in.us/dor/div/traffic/detour/) or on the Tax Fax System by dialing (317) 233-2329 from your fax machine and following the prompts. The retrieval code for the detour bulletin is 3999. You can also find more detailed instructions and a list of other form retrieval codes in Publication 101, Oversize/Overweight Vehicle Permitting Handbook. To obtain a copy of the handbook, visit our Web site at [www.state.in.us/dor/mcs](http://www.state.in.us/dor/mcs), call us at (317) 615-7320, or write to us at Motor Carrier Services, 5252 Decatur Blvd. Suite R., Indianapolis, IN 46241.

**Be clear regarding I-465.** When using I-465 in your route, remember to give exit numbers on and off of I-465 and the direction of travel on I-465. If your dimensions are over maximum height, remember to specify that you will be traveling in the middle lane on I-465.

**Be precise from beginning to end.** In order to lessen the delay in issuing permits please be as precise about your route as possible. If there are restrictions, closures, low bridges, or other complications near your beginning or ending route destinations, please specify on your permits ***exactly*** where you are beginning or ending in relation to those complications. If it is not clear to us, we cannot process your requests.

**Be clear about hauling multiple items.** If you are requesting oversized permits and you are hauling more than one item, please be clear about how you are loaded. Remember, the only time you can carry more than one item on an oversized permit is when you can load your vehicle without making the dimensions different than when hauling only one item.

We hope this helps you in completing your oversize/overweight vehicle permit requests. If you have any questions, please contact our office at (317) 615-7320.

## IRP Fee Increases

Look for fee increases for the following IRP jurisdictions and their effective dates:

Alberta - effective July 1, 2002  
Colorado - effective July 1, 2002  
British Columbia - effective October 1, 2002

The IRP Unit is currently working on processing any adjustments and submitted refund requests, and would like to thank you for your patience and cooperation in this lengthy process.

In an effort to enhance our customer service we recommend that you mail your renewals for processing before the deadline. You can also avoid long lines in the Motor Carrier Services Customer Service Center, especially on the beginning and last days of the month, by mailing your renewal rather than visiting our office at the last minute.

## IFTA Fuel Tax Carriers

You can log onto the IFTA, Inc. Web site at [www.iftach.org](http://www.iftach.org) to get the quarterly tax rates. After you reach the Home Page, select Tax Rate Matrices, select the desired quarterly reporting period and click "Go." You can also get the US/Canadian exchange rate information from this site.

For more information please contact the Motor Carrier Fuel Tax Section at (317) 615 615-7345.

### E-Newsletter

In an effort to reduce paper and postage expenses, the Indiana Department of Revenue would like to offer companies the option of receiving an e-mail notification when each new "Trucking Tips" is posted to our Web site. Please send an e-mail message to [cdenk@dor.state.in.us](mailto:cdenk@dor.state.in.us) and include your company name and postal address.